

HOUSE BILL No. 1251

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 6-1.5-3-4; IC 6-6-11; IC 14-33-22-6; IC 20-35-5-1; IC 36-2; IC 36-7-15.1-25; IC 36-9-9-10.

Synopsis: Various property tax matters. Changes the assessment date for all real and personal property from March 1 to January 1. Makes numerous related changes. Changes the general reassessment cycle to correspond to the change in the assessment date. Changes the personal property tax return date from May 15 to March 1 and the filing extension date from June 14 to April 15. Changes various dates regarding assessed value filings by local officials. Phases in over five years a requirement to assess agricultural land based on the average estimated land value as reported in the Annual Survey of Indiana Farmland Values published by Purdue University. Provides that an assessing official is not required to mail an assessment notice to the taxpayer when the change in the assessment amount is the result of an annual adjustment of the assessed value. Provides that a county assessor may elect to assess major industrial properties in Lake County with an Indiana certified general appraiser rather than by the department of local government finance (DLGF). Provides that the DLGF shall distribute \$5,000 annually to each county assessor that is compliant with the DLGF's annual review of county assessments. Provides that the county will pay for any social security or withholding taxes for the additional distribution. Provides that a professional appraiser may have its certification revoked by the DLGF if a county

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Effective: Upon passage; July 1, 2008; January 1, 2009; July 1, 2009.

Saunders

January 14, 2008, read first time and referred to Committee on Ways and Means.



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for which it has contracted to perform services receives an equalization order. Requires the Indiana board of tax review to hire at least two Indiana certified general appraisers. Repeals: (1) a provision that allows a taxpayer to elect a special property tax valuation method for certain integrated steel mill and oil refinery-petrochemical equipment; (2) a provision that provides circumstances under which underdeveloped land may be reassessed; (3) a provision that requires certain residential rental property to compute assessments using the lowest assessed valuation of certain appraisal techniques; (4) a provision that provides that the gross rent multiplier method is the preferred method for valuing certain rental properties; (5) a provision that provides alternative property tax assessment methodologies for riverboats; (6) a provision that provides that the value of federal income tax credits awarded under Section 42 of the Internal Revenue Code may not be considered in determining the assessed value of low income housing tax credit property; and (7) a provision that prescribes a property tax assessment method for certain low income rental property. Voids administrative rules concerning abnormal obsolescence for personal property. Makes a continuing appropriation.

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Introduced

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

HOUSE BILL No. 1251

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-1-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. "Assessment
3 date" means:

4 (1) ~~March~~ **January 1** for all tangible property, except mobile
5 homes as defined in IC 6-1.1-7-1.

6 (2) January 15 for mobile homes as defined in IC 6-1.1-7-1.

7 SECTION 2. IC 6-1.1-1-7 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7. "Filing date"
9 means ~~May~~ **March** 15th.

10 SECTION 3. IC 6-1.1-4-4, AS AMENDED BY P.L.228-2005,
11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JANUARY 1, 2009]: Sec. 4. (a) A general reassessment, involving a
13 physical inspection of all real property in Indiana, shall begin July 1,
14 2000, and be the basis for taxes payable in 2003.

15 (b) A general reassessment, involving a physical inspection of all
16 real property in Indiana, shall begin July 1, 2009, and each fifth year
17 thereafter. Each reassessment under this subsection:



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(1) shall be completed on or before ~~March~~ **January** 1, of the year that succeeds by two (2) years the year in which the general reassessment begins; and

(2) shall be the basis for taxes payable in the year following the year in which the general assessment is to be completed.

(c) In order to ensure that assessing officials and members of each county property tax assessment board of appeals are prepared for a general reassessment of real property, the department of local government finance shall give adequate advance notice of the general reassessment to the county and township taxing officials of each county.

SECTION 4. IC 6-1.1-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. **(a) As used in this section, "base rate", "influence factor", and "soil productivity factor" all have the same meaning as provided in the real property assessment guidelines provided by the department of local government finance.**

~~(a)~~ **(b)** In assessing or reassessing land, the land shall be assessed as agricultural land only when it is devoted to agricultural use.

~~(b)~~ **(c)** **This subsection applies to an assessment date before March 1, 2008.** The department of local government finance shall give written notice to each county assessor of:

(1) the availability of the United States Department of Agriculture's soil survey data; and

(2) the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map.

All assessing officials and the property tax assessment board of appeals shall use the data in determining the true tax value of agricultural land.

~~(c)~~ **(d)** The department of local government finance shall by rule provide for the method for determining the true tax value of each parcel of agricultural land.

(e) Notwithstanding subsections (c) and (d), the true tax value for agricultural land for assessment dates after February 28, 2009, is determined as follows:

(1) For the January 1, 2009, assessment date, the true tax value for each acre of agricultural land is the greater of:

(A) the base rate multiplied by the soil productivity factor minus any applicable influence factors; or

(B) the average estimated land value as reported in the Annual Survey of Indiana Farmland Values published by Purdue University multiplied by twenty percent (20%).

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(2) For the January 1, 2010, assessment date, the true tax value for each acre of agricultural land is the greater of:

(A) the base rate multiplied by the soil productivity factor minus any applicable influence factors; or

(B) the average estimated land value as reported in the most recent Annual Survey of Indiana Farmland Values published by Purdue University multiplied by forty percent (40%).

(3) For the January 1, 2011, assessment date, the true tax value for each acre of agricultural land is the greater of:

(A) the base rate multiplied by the soil productivity factor minus any applicable influence factors; or

(B) the average estimated land value as reported in the most recent Annual Survey of Indiana Farmland Values published by Purdue University multiplied by sixty percent (60%).

(4) For the January 1, 2012, assessment date, the true tax value for each acre of agricultural land is the average estimated land value as reported in the most recent Annual Survey of Indiana Farmland Values published by Purdue University multiplied by eighty percent (80%).

(5) For the January 1, 2013, assessment date and thereafter, the true tax value for each acre of agricultural land is the average estimated land value as reported in the most recent Annual Survey of Indiana Farmland Values published by Purdue University.

~~(d)~~ (f) This section does not apply to land purchased for industrial, commercial, or residential uses.

SECTION 5. IC 6-1.1-4-13.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 13.6. (a) The township assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the township using guidelines determined by the department of local government finance. Not later than ~~November~~ **September** 1 of the year preceding the year in which a general reassessment becomes effective, the assessor determining the values of land shall submit the values to the county property tax assessment board of appeals. Not later than ~~December~~ **October** 1 of the year preceding the year in which a general reassessment becomes effective, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the

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hearing after ~~March~~ **January** 31 and before ~~December~~ **October** 1 of the year preceding the year in which the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective.

(b) The county property tax assessment board of appeals shall review the values submitted under subsection (a) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the county assessor or township assessor fails to submit land values under subsection (a) to the county property tax assessment board of appeals before ~~November~~ **September** 1 of the year before the date the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the general reassessment becomes effective, the department of local government finance shall determine the values.

(c) The county assessor shall notify all township assessors in the county of the values as modified by the county property tax assessment board of appeals. Township assessors shall use the values determined under this section.

SECTION 6. IC 6-1.1-4-13.8, AS AMENDED BY P.L.228-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 13.8. (a) As used in this section, "commission" refers to a county land valuation commission established under subsection (b).

(b) Subject to subsection (l), a county land valuation commission is established in each county for the purpose of determining the value of commercial, industrial, and residential land (including farm homesites) in the county.

(c) The county assessor is chairperson of the commission.

(d) The following are members of the commission:

(1) The county assessor. The county assessor shall cast a vote only to break a tie.

(2) Each township assessor, when the respective township land values for that township assessor's township are under consideration. A township assessor serving under this subdivision shall vote on all matters relating to the land values of that township assessor's township.

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(3) One (1) township assessor from the county to be appointed by a majority vote of all the township assessors in the county.

(4) One (1) county resident who:

(A) holds a license under IC 25-34.1-3 as a salesperson or broker; and

(B) is appointed by:

(i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or

(ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

(5) Four (4) individuals who:

(A) are appointed by the county executive (as defined in IC 36-1-2-5); and

(B) represent one (1) of the following four (4) kinds of land in the county:

(i) Agricultural.

(ii) Commercial.

(iii) Industrial.

(iv) Residential.

Each of the four (4) kinds of land in the county must be represented by one (1) individual appointed under this subdivision.

(6) One (1) individual who:

(A) represents financial institutions in the county; and

(B) is appointed by:

(i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or

(ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

(e) The term of each member of the commission begins ~~November~~ **September** 1 of the year that precedes by two (2) years the year in which a general reassessment begins under IC 6-1.1-4-4, and ends ~~January~~ **November** 1 of the year **which precedes the year in which** the general reassessment begins under ~~IC 6-1.1-4-4~~ **section 4 of this chapter**. The appointing authority may fill a vacancy for the remainder of the vacated term.

(f) The commission shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. Not later than ~~November~~ **September** 1 of the year preceding the year in which a general reassessment begins, the commission determining the values of land shall submit the values, all

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1 data supporting the values, and all information required under rules of
 2 the department of local government finance relating to the
 3 determination of land values to the county property tax assessment
 4 board of appeals and the department of local government finance. Not
 5 later than ~~January~~ **November** 1 of the year in which a general
 6 reassessment begins, the county property tax assessment board of
 7 appeals shall hold a public hearing in the county concerning those
 8 values. The property tax assessment board of appeals shall give notice
 9 of the hearing in accordance with IC 5-3-1 and shall hold the hearing
 10 after ~~March~~ **January** 31 and before **November 1** of the year preceding
 11 the year in which the general reassessment begins and before ~~January~~
 12 ~~1 of the year in which the general reassessment~~ under ~~IC 6-1.1-4-4~~
 13 **begins: section 4 of this chapter.**

14 (g) The county property tax assessment board of appeals shall
 15 review the values, data, and information submitted under subsection (f)
 16 and may make any modifications it considers necessary to provide
 17 uniformity and equality. The county property tax assessment board of
 18 appeals shall coordinate the valuation of property adjacent to the
 19 boundaries of the county with the county property tax assessment
 20 boards of appeals of the adjacent counties using the procedures adopted
 21 by rule under IC 4-22-2 by the department of local government finance.
 22 If the commission fails to submit land values under subsection (f) to the
 23 county property tax assessment board of appeals before ~~January~~
 24 **November 1** of the year **which precedes the year** the general
 25 reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** begins, the
 26 county property tax assessment board of appeals shall determine the
 27 values.

28 (h) The county property tax assessment board of appeals shall give
 29 notice to the county and township assessors of its decision on the
 30 values. The notice must be given before ~~March~~ **January** 1 of the year
 31 the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter**
 32 begins. Not later than twenty (20) days after that notice, the county
 33 assessor or a township assessor in the county may request that the
 34 county property tax assessment board of appeals reconsider the values.
 35 The county property tax assessment board of appeals shall hold a
 36 hearing on the reconsideration in the county. The county property tax
 37 assessment board of appeals shall give notice of the hearing under
 38 IC 5-3-1.

39 (i) Not later than twenty (20) days after notice to the county and
 40 township assessor is given under subsection (h), a taxpayer may request
 41 that the county property tax assessment board of appeals reconsider the
 42 values. The county property tax assessment board of appeals may hold

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a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(j) A taxpayer may appeal the value determined under this section as applied to the taxpayer's land as part of an appeal filed under IC 6-1.1-15 after the taxpayer has received a notice of assessment. If a taxpayer that files an appeal under IC 6-1.1-15 requests the values, data, or information received by the county property tax assessment board of appeals under subsection (f), the county property tax assessment board of appeals shall satisfy the request. The department of local government finance may modify the taxpayer's land value and the value of any other land in the township, the county where the taxpayer's land is located, or the adjacent county if the department of local government finance determines it is necessary to provide uniformity and equality.

(k) The county assessor shall notify all township assessors in the county of the values as determined by the commission and as modified by the county property tax assessment board of appeals or department of local government finance under this section. Township assessors shall use the values determined under this section.

(l) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to abolish the county land valuation commission established under subsection (b). Each township assessor and the county assessor has one (1) vote. The county assessor shall give written notice to:

- (1) each member of the county land valuation commission; and
 - (2) each township assessor in the county;
- of the abolishment of the commission under this subsection.

SECTION 7. IC 6-1.1-4-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 20. The department of local government finance may establish a period with respect to each general reassessment that is the only time during which a township or county assessor may enter into a contract with a professional appraiser. The period set by the department of local government finance may not begin before ~~January~~ **November 1** of the year ~~preceding the year~~ the general reassessment begins. If no period is established by the department of local government finance, a township or county assessor may enter into such a contract only on or after ~~January~~ **November 1 of the year preceding the year in which the general reassessment is to commence** and before ~~April~~ **February** 16 of the year in which the general reassessment is to commence.

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SECTION 8. IC 6-1.1-4-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 21. (a) If, during a period of general reassessment, a township assessor makes the real property appraisals ~~himself~~, **personally**, the appraisals of the parcels subject to taxation must be completed as follows:

(1) The appraisal of one-fourth (1/4) of the parcels shall be completed before ~~December~~ **October** 1 of the year in which the general reassessment begins.

(2) The appraisal of one-half (1/2) of the parcels shall be completed before ~~May~~ **March** 1 of the year following the year in which the general reassessment begins.

(3) The appraisal of three-fourths (3/4) of the parcels shall be completed before ~~October~~ **August** 1 of the year following the year in which the general reassessment begins.

(4) The appraisal of all the parcels shall be completed before ~~March~~ **January** 1 of the second year following the year in which the general reassessment begins.

(b) If a township assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals during a period of general reassessment, the professional appraiser or appraisal firm must file appraisal reports with the township assessor as follows:

(1) The appraisals for one-fourth (1/4) of the parcels shall be reported before ~~December~~ **October** 1 of the year in which the general reassessment begins.

(2) The appraisals for one-half (1/2) of the parcels shall be reported before ~~May~~ **March** 1 of the year following the year in which the general reassessment begins.

(3) The appraisals for three-fourths (3/4) of the parcels shall be reported before ~~October~~ **August** 1 of the year following the year in which the general reassessment begins.

(4) The appraisals for all the parcels shall be reported before ~~March~~ **January** 1 of the second year following the year in which the general reassessment begins.

However, the reporting requirements prescribed in this subsection do not apply if the contract under which the professional appraiser, or appraisal firm, is employed prescribes different reporting procedures.

SECTION 9. IC 6-1.1-4-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) **Except as provided under subsection (c)**, if any assessing official or any county property tax assessment board of appeals assesses or reassesses any real property under the provisions of this article, the official or county property tax assessment board of appeals shall give notice to the

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taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment.

(b) During a period of general reassessment, each township assessor shall mail the notice required by this section within ninety (90) days after ~~he~~ **the township assessor**:

(1) completes ~~his~~ **the township assessor's** appraisal of a parcel;

or

(2) receives a report for a parcel from a professional appraiser or professional appraisal firm.

(c) **If the change in assessment is the result of an annual adjustment of assessed value of real property under section 4.5 of this chapter, the official or county property tax assessment board of appeals is not required to mail a copy of the assessment to the taxpayer. However, the official or county property tax assessment board of appeals shall make the amount of the assessment or reassessment available to a taxpayer by:**

(1) **posting the information on a publicly accessible web site;**

or

(2) **providing public access to computer terminals located at the county assessor's office.**

SECTION 10. IC 6-1.1-8.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. **(a) Except as provided in subsection (b),** an industrial facility located in a qualifying county shall be assessed in the manner prescribed in this chapter.

(b) This chapter does not apply to an industrial facility located in a qualifying county if the county assessor elects to have an Indiana certified general appraiser perform the assessment of the industrial facility.

SECTION 11. IC 6-1.1-10-31.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 31.7. (a) Subject to subsection (c), in order to claim a property tax exemption under section 31.4, 31.5, or 31.6 of this chapter, the owner or possessor of:

(1) a truck chassis under section 31.4 of this chapter;

(2) a passenger motor vehicle under section 31.5 of this chapter;

or

(3) a school bus body or chassis under section 31.6 of this chapter;

must file a claim for an exemption at the same time that the taxpayer is required to file a personal property tax return.

(b) A claim for exemption under this section must be filed on a form:

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(1) prescribed by the department of local government finance; and

(2) containing the following information:

(A) A description of the property claimed to be exempt in sufficient detail to afford identification of the property.

(B) A statement indicating the ownership and the possession of the property.

(C) The grounds for claiming the exemption.

(D) The full name and address of the applicant.

(E) Any additional information that the department of local government finance may require that is:

(i) reasonably related to the exemption; and

(ii) necessary to determine the exemption.

(c) Notwithstanding subsection (b), an owner or a possessor may claim an exemption for a chassis or vehicle under this section without filing the form required under subsection (b) if:

(1) before ~~March~~ **January 1** the owner or possessor of the chassis or vehicle identifies the chassis or vehicle, by chassis or vehicle identification number, as a chassis or vehicle to be used to fulfill an order from an out-of-state dealer; and

(2) the owner or possessor of the chassis or vehicle submits with the owner's or possessor's personal property return a list that:

(A) gives the chassis or vehicle identification number of each chassis or vehicle claimed to be exempt under subdivision (1); and

(B) identifies the order from an out-of-state dealer that corresponds to each chassis or vehicle listed.

(d) If, upon the request of the local assessing official, a county assessor, a member of the county property tax assessment board of appeals, or the department of local government finance the owner or possessor is unable to verify that the chassis or vehicle was used to fulfill the identified order, an exemption claimed under subsection (c) shall be denied.

SECTION 12. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under

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1 IC 6-1.1-7, the person must file the statement during the twelve (12)
 2 months before June 11 of the assessment year. The person must file the
 3 statement in each year for which the person desires to obtain the
 4 deduction. With respect to a property which is assessed under
 5 IC 6-1.1-7, the person must file the statement during the twelve (12)
 6 months before March 31 of each year for which the person desires to
 7 obtain the deduction. The statement may be filed in person or by mail.
 8 If mailed, the mailing must be postmarked on or before the last day for
 9 filing. On verification of the statement by the assessor of the township
 10 in which the property for which the deduction is claimed is subject to
 11 assessment, the county auditor shall allow the deduction.

12 (b) This subsection does not apply to an application for a deduction
 13 under section 34.5 of this chapter. The department of environmental
 14 management, upon application by a property owner, shall determine
 15 whether a system or device qualifies for a deduction provided by
 16 section 31, 33, or 34 of this chapter. If the department determines that
 17 a system or device qualifies for a deduction, it shall certify the system
 18 or device and provide proof of the certification to the property owner.
 19 The department shall prescribe the form and manner of the certification
 20 process required by this subsection.

21 (c) This subsection does not apply to an application for a deduction
 22 under section 34.5 of this chapter. If the department of environmental
 23 management receives an application for certification before May 11 of
 24 the assessment year, the department shall determine whether the system
 25 or device qualifies for a deduction before June 11 of the assessment
 26 year. If the department fails to make a determination under this
 27 subsection before June 11 of the assessment year, the system or device
 28 is considered certified.

29 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5
 30 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal
 31 is limited to a review of a determination made by the township
 32 assessor, county property tax assessment board of appeals, or
 33 department of local government finance.

34 (e) A person who timely files a personal property return under
 35 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
 36 deduction provided in section 31 of this chapter for property that is not
 37 assessed under IC 6-1.1-7 must file the statement described in
 38 subsection (a) during the twelve (12) months before June 11 of that
 39 year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for
 40 an assessment year must file the application between ~~March~~ **January**
 41 1 and the extended due date for that year.

42 (f) This subsection applies only to an application for a deduction

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under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter before May 11 of an assessment year:

(1) the center shall determine whether the building qualifies for a deduction before June 11 of the assessment year; and

(2) if the center fails to make a determination before June 11 of the assessment year, the building is considered certified.

SECTION 13. IC 6-1.1-12.1-5, AS AMENDED BY P.L.193-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner.

(2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(3) The assessed value of the improvements before rehabilitation.

(4) The increase in the assessed value of improvements resulting from the rehabilitation.

(5) The assessed value of the new structure in the case of redevelopment.

(6) The amount of the deduction claimed for the first year of the deduction.

(7) If the deduction application is for a deduction in a

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1 residentially distressed area, the assessed value of the
2 improvement or new structure for which the deduction is claimed.

3 (d) A deduction application filed under subsection (a) or (b) is
4 applicable for the year in which the addition to assessed value or
5 assessment of a new structure is made and in the following years the
6 deduction is allowed without any additional deduction application
7 being filed. However, property owners who had an area designated an
8 urban development area pursuant to a deduction application filed prior
9 to January 1, 1979, are only entitled to a deduction for a five (5) year
10 period. In addition, property owners who are entitled to a deduction
11 under this chapter pursuant to a deduction application filed after
12 December 31, 1978, and before January 1, 1986, are entitled to a
13 deduction for a ten (10) year period.

14 (e) A property owner who desires to obtain the deduction provided
15 by section 3 of this chapter but who has failed to file a deduction
16 application within the dates prescribed in subsection (a) or (b) may file
17 a deduction application between ~~March~~ **January** 1 and May 10 of a
18 subsequent year which shall be applicable for the year filed and the
19 subsequent years without any additional deduction application being
20 filed for the amounts of the deduction which would be applicable to
21 such years pursuant to section 4 of this chapter if such a deduction
22 application had been filed in accordance with subsection (a) or (b).

23 (f) Subject to subsection (i), the county auditor shall act as follows:

24 (1) If a determination about the number of years the deduction is
25 allowed has been made in the resolution adopted under section
26 2.5 of this chapter, the county auditor shall make the appropriate
27 deduction.

28 (2) If a determination about the number of years the deduction is
29 allowed has not been made in the resolution adopted under
30 section 2.5 of this chapter, the county auditor shall send a copy of
31 the deduction application to the designating body. Upon receipt
32 of the resolution stating the number of years the deduction will be
33 allowed, the county auditor shall make the appropriate deduction.

34 (3) If the deduction application is for rehabilitation or
35 redevelopment in a residentially distressed area, the county
36 auditor shall make the appropriate deduction.

37 (g) The amount and period of the deduction provided for property
38 by section 3 of this chapter are not affected by a change in the
39 ownership of the property if the new owner of the property:

40 (1) continues to use the property in compliance with any
41 standards established under section 2(g) of this chapter; and

42 (2) files an application in the manner provided by subsection (e).

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(h) The township assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

(i) Before the county auditor acts under subsection (f), the county auditor may request that the township assessor of the township in which the property is located review the deduction application.

(j) A property owner may appeal a determination of the county auditor under subsection (f) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the person notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

SECTION 14. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.193-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction schedule with the person's personal property return on a form prescribed by the department of local government finance with the township assessor of the township in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located. Except as provided in subsection (e), the deduction is applied in the amount claimed in a certified schedule that a person files with:

- (1) a timely personal property return under IC 6-1.1-3-7(a) or IC 6-1.1-3-7(b); or
- (2) a timely amended personal property return under IC 6-1.1-3-7.5.

The township assessor shall forward to the county auditor and the county assessor a copy of each certified deduction schedule filed under this subsection.

(b) The deduction schedule required by this section must contain the following information:

- (1) The name of the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.
- (2) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.
- (3) The amount of the deduction claimed for the first year of the

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deduction.

(c) This subsection applies to a deduction schedule with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which a statement of benefits was initially approved after April 30, 1991. If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction schedule to the designating body, and the designating body shall adopt a resolution under section 4.5(g)(2) of this chapter.

(d) A deduction schedule must be filed under this section in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed and in each of the immediately succeeding years the deduction is allowed.

(e) The township assessor or the county assessor may:

(1) review the deduction schedule; and

(2) before the ~~March~~ **January** 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction.

If the township assessor or the county assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the deduction schedule or in the amount as altered by the township assessor or the county assessor. A township assessor or a county assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's action. The county auditor shall notify the designating body and the county property tax assessment board of appeals of all deductions applied under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

(1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and

(2) files the deduction schedules required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for

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the year the deduction is claimed by the new owner.

(h) A person may appeal a determination of the township assessor or the county assessor under subsection (e) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the township assessor or the county assessor not more than forty-five (45) days after the township assessor or the county assessor gives the person notice of the determination. Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(i) The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

SECTION 15. IC 6-1.1-12.3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. As used in this chapter, "service period" means a period beginning ~~March~~ **January 1 and ending on December 31** in a year immediately preceding an assessment date. ~~and ending on February 28 in the year containing an assessment date.~~

SECTION 16. IC 6-1.1-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. A county assessor shall inquire into the assessment of the classes of tangible property in the various townships of the county after ~~March~~ **January 1** in the year in which the general reassessment becomes effective. The county assessor shall make any changes, whether increases or decreases, in the assessed values which are necessary in order to equalize these values in and between the various townships of the county. In addition, the county assessor shall determine the percent to be added to or deducted from the assessed values in order to make a just, equitable, and uniform equalization of assessments in and between the townships of the county.

SECTION 17. IC 6-1.1-18.5-7, AS AMENDED BY P.L.224-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) A civil taxing unit is not subject to the levy limits imposed by section 3 of this chapter for an ensuing calendar year if the civil taxing unit did not adopt an ad valorem property tax levy for the immediately preceding calendar year.

(b) If under subsection (a) a civil taxing unit is not subject to the levy limits imposed under section 3 of this chapter for a calendar year, the civil taxing unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for that calendar year to the local government tax control board established by section 11 of this

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chapter (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) before the tax levy is advertised. The local government tax control board (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) shall then review and make a recommendation to the department of local government finance on the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for that calendar year. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for that calendar year. However, a civil taxing unit may not impose a property tax levy for a year if the unit did not exist as of ~~March~~ **January** 1 of the preceding year.

SECTION 18. IC 6-1.1-20.8-2.5, AS AMENDED BY P.L.4-2005, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2.5. (a) A person that desires to claim the credit provided by section 1 of this chapter shall file a certified application, on forms prescribed by the department of local government finance, with the auditor of the county where the property for which the credit is claimed was located on the assessment date. A person that timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year must file the application between ~~March~~ **January** 1 and May 15 of that year in order to obtain the credit in the following year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year in order to obtain the credit in the following year.

(b) A taxpayer shall include on an application filed under this section all information that the department of local government finance requires to determine eligibility for the credit provided under this chapter.

(c) Compliance with this chapter does not exempt a person from compliance with IC 5-28-15-7.

SECTION 19. IC 6-1.1-20.9-2, AS AMENDED BY P.L.224-2007, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who on ~~March~~ **January** 1 of a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year.

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(b) The amount of the credit to which the individual is entitled equals the product of:

- (1) the percentage prescribed in subsection (d); multiplied by
- (2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, which is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of the property tax replacement credit under IC 6-1.1-21.

(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, all deductions from assessed valuation which the individual claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as follows:

| YEAR | PERCENTAGE OF THE CREDIT |
|---------------------|-----------------------------|
| 1996 | 8% |
| 1997 | 6% |
| 1998 through 2002 | 10% |
| 2003 through 2005 | 20% |
| 2006 | 28% |
| 2007 and thereafter | 20% |

However, the percentage credit allowed in a particular county for a particular year shall be increased if on January 1 of a year an ordinance adopted by a county income tax council was in effect in the county which increased the homestead credit. The amount of the increase equals the amount designated in the ordinance.

(e) Before October 1 of each year, the assessor shall furnish to the county auditor the amount of the assessed valuation of each homestead for which a homestead credit has been properly filed under this chapter.

(f) The county auditor shall apply the credit equally to each installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other than an individual is entitled to the credit provided by this chapter if:

- (1) an individual uses the residence as the individual's principal place of residence;
- (2) the residence is located in Indiana;
- (3) the individual has a beneficial interest in the taxpayer;

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(4) the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; and

(5) the residence consists of a single-family dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

SECTION 20. IC 6-1.1-21-4, AS AMENDED BY P.L.219-2007, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund an amount equal to the sum of:

(1) each county's total eligible property tax replacement amount for that year; plus

(2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed by each county for that year; plus

(3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter. This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the subdivision (1) amount that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between ~~March~~ **January** 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be

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1 according to a schedule determined by the property tax replacement
 2 fund board under section 10 of this chapter. The estimated distribution
 3 for each county may be adjusted from time to time by the department
 4 to reflect any changes in the total county tax levy upon which the
 5 estimated distribution is based.

6 (c) On or before December 31 of each year or as soon thereafter as
 7 possible, the department shall make a final determination of the amount
 8 which should be distributed from the property tax replacement fund to
 9 each county for that calendar year. This determination shall be known
 10 as the final determination of distribution. The department shall
 11 distribute to the county treasurer or receive back from the county
 12 treasurer any deficit or excess, as the case may be, between the sum of
 13 the distributions made for that calendar year based on the estimated
 14 distribution and the final determination of distribution. The final
 15 determination of distribution shall be based on the auditor's abstract
 16 filed with the auditor of state, adjusted for postabstract adjustments
 17 included in the December settlement sheet for the year, and such
 18 additional information as the department may require.

19 (d) All distributions provided for in this section shall be made on
 20 warrants issued by the auditor of state drawn on the treasurer of state.
 21 If the amounts allocated by the department from the property tax
 22 replacement fund exceed in the aggregate the balance of money in the
 23 fund, then the amount of the deficiency shall be transferred from the
 24 state general fund to the property tax replacement fund, and the auditor
 25 of state shall issue a warrant to the treasurer of state ordering the
 26 payment of that amount. However, any amount transferred under this
 27 section from the general fund to the property tax replacement fund
 28 shall, as soon as funds are available in the property tax replacement
 29 fund, be retransferred from the property tax replacement fund to the
 30 state general fund, and the auditor of state shall issue a warrant to the
 31 treasurer of state ordering the replacement of that amount.

32 (e) Except as provided in subsection (g) and subject to subsection
 33 (h), the department shall not distribute under subsection (b) and section
 34 10 of this chapter a percentage, determined by the department, of the
 35 money that would otherwise be distributed to the county under
 36 subsection (b) and section 10 of this chapter if:

37 (1) by the date the distribution is scheduled to be made, the
 38 county auditor has not sent a certified statement required to be
 39 sent by that date under IC 6-1.1-17-1 to the department of local
 40 government finance;

41 (2) by the deadline under IC 36-2-9-20, the county auditor has not
 42 transmitted data as required under that section;

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(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);

(4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure form data under IC 6-1.1-5.5-3(h);

(5) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);

(6) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;

(7) the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b);

(8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or

(9) a township or county official has not provided other information to the department of local government finance in a timely manner as required by the department.

(f) Except as provided in subsection (i), money not distributed for the reasons stated in subsection (e) shall be distributed to the county when the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

has been corrected.

(g) The restrictions on distributions under subsection (e) do not apply if the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(h) The department shall give the county auditor at least thirty (30) days notice in writing before withholding a distribution under subsection (e).

(i) Money not distributed for the reason stated in subsection (e)(6) may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money

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deposited under this subsection is not subject to distribution under subsection (f).

SECTION 21. IC 6-1.1-22-5, AS AMENDED BY P.L.67-2006, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) Except as provided in subsections (b) and (c), on or before ~~March 15~~ **January 1** of each year, the county auditor shall prepare and deliver to the auditor of state and the county treasurer a certified copy of an abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in that year in each taxing district of the county. The county auditor shall prepare the abstract in such a manner that the information concerning property tax deductions reflects the total amount of each type of deduction. The abstract shall also contain a statement of the taxes and penalties unpaid in each taxing unit at the time of the last settlement between the county auditor and county treasurer and the status of these delinquencies. The county auditor shall prepare the abstract on the form prescribed by the state board of accounts. The auditor of state, county auditor, and county treasurer shall each keep a copy of the abstract as a public record.

(b) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) ~~or IC 6-1.1-19-2(g)~~ before the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver the certified copy of the abstract when the appeal is resolved by the department of local government finance.

(c) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) ~~or IC 6-1.1-19-2(g)~~ after the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver a certified copy of a revised abstract when the appeal is resolved by the department of local government finance that reflects the action of the department.

SECTION 22. IC 6-1.1-22.5-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 20. For purposes of a provisional statement under this chapter, the department of local government finance may adopt emergency rules under IC 4-22-2-37.1 to provide a methodology for a county treasurer to issue provisional statements with respect to real property, taking into account new construction of improvements placed on the real property, damage, and other losses related to the real property:

- (1) after ~~March~~ **January 1** of the year preceding the assessment date to which the provisional statement applies; and
- (2) before the assessment date to which the provisional statement applies.

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SECTION 23. IC 6-1.1-30-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 17. (a) Except as provided under subsection (b), each year the department of local government finance shall pay to each county assessor that is compliant with IC 6-1.1-14 five thousand dollars (\$5,000) on a schedule determined by the department of local government finance during the budget year. The amount paid under this section is in addition to any compensation paid to the county assessor under IC 36-2-5-3.**

(b) If the department issues an equalization order under IC 6-1.1-14-5, the county assessor is not eligible to receive the amount described in subsection (a). This subsection does not apply to any equalization order issued by the department of local government finance under IC 6-1.1-14-5 that is subsequently found to be in error.

(c) There is annually appropriated to the department of local government finance from the state general fund sufficient funds to distribute any amount necessary under this section.

SECTION 24. IC 6-1.1-31-7, AS AMENDED BY P.L.214-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 7. (a) With respect to the assessment of personal property, the rules of the department of local government finance shall provide for the classification of personal property on the basis of:**

- (1) date of purchase;**
- (2) location;**
- (3) use;**
- (4) depreciation, obsolescence, and condition; and**
- (5) any other factor that the department determines by rule is just and proper.**

(b) With respect to the assessment of personal property, the rules of the department of local government finance shall include instructions for determining:

- (1) the proper classification of personal property;**
- (2) the effect that location has on the value of personal property;**
- (3) the cost of reproducing personal property;**
- (4) the depreciation, including physical deterioration and obsolescence, of personal property;**
- (5) the productivity or earning capacity of mobile homes regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more;**

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(6) the true tax value of mobile homes assessed under IC 6-1.1-7
~~(other than mobile homes subject to the preferred valuation
method under IC 6-1.1-4-39(b))~~

as the least of the values determined using the following:

(A) The National Automobile Dealers Association Guide.

(B) The purchase price of a mobile home if:

(i) the sale is of a commercial enterprise nature; and

(ii) the buyer and seller are not related by blood or marriage.

(C) Sales data for generally comparable mobile homes;

(7) the true tax value at the time of acquisition of computer
application software, for the purpose of deducting the value of
computer application software from the acquisition cost of
tangible personal property whenever the value of the tangible
personal property that is recorded on the taxpayer's books and
records reflects the value of the computer application software;
and

(8) the true tax value of personal property based on the factors
listed in this subsection and any other factor that the department
determines by rule is just and proper.

(c) In providing for the classification of personal property and the
instructions for determining the items listed in subsection (b), the
department of local government finance shall not include the value of
land as a cost of producing tangible personal property subject to
assessment.

(d) With respect to the assessment of personal property, true tax
value does not mean fair market value. Subject to this article, true tax
value is the value determined under rules of the department of local
government finance.

SECTION 25. IC 6-1.1-31.7-5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2009]: **Sec. 5. (a) In addition to section
4 of this chapter, the department may revoke a certification of an
appraiser in every county that the appraiser has not yet initiated
services if a county for which the appraiser has contracted to
perform services has received an equalization order under
IC 6-1.1-14-5.**

**(b) The appraiser may apply for recertification when the county
subject to the equalization order described under subsection (a)
becomes compliant under IC 6-1.1-14.**

**(c) If an appraiser has its certification revoked under subsection
(a), the appraiser is not eligible to contract with any other county
that receives an equalization order from the department under**

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IC 6-1.1-14-5.

SECTION 26. IC 6-1.1-40-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 11. (a) A person that desires to obtain the deduction provided by section 10 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with:

- (1) the auditor of the county in which the new manufacturing equipment and inventory is located; and
- (2) the department of local government finance.

A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment is installed or the inventory is subject to assessment must file the application between ~~March~~ **January** 1 and May 15 of that year.

(b) The application required by this section must contain the following information:

- (1) The name of the owner of the new manufacturing equipment and inventory.
- (2) A description of the new manufacturing equipment and inventory.
- (3) Proof of the date the new manufacturing equipment was installed.
- (4) The amount of the deduction claimed for the first year of the deduction.

(c) A deduction application must be filed under this section in the year in which the new manufacturing equipment is installed or the inventory is subject to assessment and in each of the immediately succeeding nine (9) years.

(d) The department of local government finance shall review and verify the correctness of each application and shall notify the county auditor of the county in which the property is located that the application is approved or denied or that the amount of the deduction is altered. Upon notification of approval of the application or of alteration of the amount of the deduction, the county auditor shall make the deduction.

(e) If the ownership of new manufacturing equipment changes, the deduction provided under section 10 of this chapter continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under section 7(c) of this chapter; and
- (2) files the applications required by this section.

(f) The amount of the deduction is:

- (1) the percentage under section 10 of this chapter that would

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1 have applied if the ownership of the property had not changed;
2 multiplied by

3 (2) the assessed value of the equipment for the year the deduction
4 is claimed by the new owner.

5 SECTION 27. IC 6-1.1-42-27 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 27. (a) A property
7 owner who desires to obtain the deduction provided by section 24 of
8 this chapter must file a certified deduction application, on forms
9 prescribed by the department of local government finance, with the
10 auditor of the county in which the property is located. Except as
11 otherwise provided in subsection (b) or (e), the deduction application
12 must be filed before May 10 of the year in which the addition to
13 assessed valuation is made.

14 (b) If notice of the addition to assessed valuation or new assessment
15 for any year is not given to the property owner before April 10 of that
16 year, the deduction application required by this section may be filed not
17 later than thirty (30) days after the date such a notice is mailed to the
18 property owner at the address shown on the records of the township
19 assessor.

20 (c) The certified deduction application required by this section must
21 contain the following information:

22 (1) The name of each owner of the property.

23 (2) A certificate of completion of a voluntary remediation under
24 IC 13-25-5-16.

25 (3) Proof that each owner who is applying for the deduction:

26 (A) has never had an ownership interest in an entity that
27 contributed; and

28 (B) has not contributed;

29 a contaminant (as defined in IC 13-11-2-42) that is the subject of
30 the voluntary remediation, as determined under the written
31 standards adopted by the department of environmental
32 management.

33 (4) Proof that the deduction was approved by the appropriate
34 designating body.

35 (5) A description of the property for which a deduction is claimed
36 in sufficient detail to afford identification.

37 (6) The assessed value of the improvements before remediation
38 and redevelopment.

39 (7) The increase in the assessed value of improvements resulting
40 from remediation and redevelopment.

41 (8) The amount of the deduction claimed for the first year of the
42 deduction.

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(d) A certified deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of property is made and each subsequent year to which the deduction applies under the resolution adopted under section 24 of this chapter.

(e) A property owner who desires to obtain the deduction provided by section 24 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between ~~March~~ **January** 1 and May 10 of a subsequent year which is applicable for the year filed and the subsequent years without any additional certified deduction application being filed for the amounts of the deduction which would be applicable to such years under this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) On verification of the correctness of a certified deduction application by the assessor of the township in which the property is located, the county auditor shall, if the property is covered by a resolution adopted under section 24 of this chapter, make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 24 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) is a person that:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management;

(2) continues to use the property in compliance with any standards established under sections 7 and 23 of this chapter; and

(3) files an application in the manner provided by subsection (e).

(h) The township assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

SECTION 28. IC 6-1.1-44-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) To obtain a deduction under this chapter, a manufacturer must file an application on forms prescribed by the department of local government finance with the auditor of the county in which the investment property is

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located. A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the investment property is installed must file the application between ~~March~~ **January** 1 and May 15 of that year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the investment property is installed must file the application between March 1 and the extended due date for that year.

(b) The deduction application required by this section must contain the following information:

- (1) The name of the owner of the investment property.
- (2) A description of the investment property.
- (3) Proof of purchase of the investment property and proof of the date the investment property was installed.
- (4) The amount of the deduction claimed.

SECTION 29. IC 6-1.5-3-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 4. (a) The Indiana board shall hire at least two (2) Indiana certified general appraisers as employees to assist an administrative law judge in reviewing appraisals submitted during the Indiana board's review of an appeal.**

(b) An Indiana certified general appraiser hired under this section is subject to the same requirements as an administrative law judge under any rule established under IC 6-1.5-6-2 for the conduct of proceedings before the Indiana board and for the impartial review of an appeal.

SECTION 30. IC 6-6-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 5.** As used in this chapter, "tax situs" means the taxing district in which a boat is located on March 1 of a boating year unless:

- (1) the boat is acquired after ~~March~~ **January** 1, in which case the boat's tax situs is where the owner intends to have the boat on the following ~~March~~ **January** 1; or
- (2) the boat is registered outside Indiana, in which case the boat's tax situs is the taxing district in which the boat is principally stored or operated during the boating year.

SECTION 31. IC 6-6-11-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 30.** Before ~~March~~ **January** 1 of each year the bureau of motor vehicles shall prepare a boat excise tax summary covering the previous boating year. The summary must include the following:

- (1) The number of boats by county.
- (2) The number of boats by class.

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(3) The amount of excise tax collected by class.
The bureau shall send a copy of the summary to the auditor of state, the department of natural resources, and the county assessors.

SECTION 32. IC 14-33-22-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. A user, all or a part of whose real property is subject to no tax other than the special benefits tax imposed under this article, may file with the county assessor and the board a request for assessment of the user's real property under this chapter. A request for a change in assessment must be filed before November 2 of the year preceding the ~~March~~ **January** 1 assessment date for which the change in assessment is requested. Every request applies only to the following:

- (1) Real property specified in the request and subject to no tax other than the special benefits tax imposed under this article.
- (2) The past year specified in the request for which assessment is requested under this chapter and all future years until further notice.

SECTION 33. IC 20-35-5-1, AS ADDED BY P.L.1-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. The definitions in this section apply throughout this chapter.

(1) "Agreement" means an:

(A) identical resolution adopted by the governing body of each participating school corporation; or

(B) agreement approved by the governing body of each participating school corporation;

providing for a special education cooperative.

(2) "Assessed valuation" of a participating school corporation for a school year means the net assessed valuation of the school corporation for the immediately preceding ~~March 1~~, **assessment date (as defined under IC 6-1.1-1-2)**, adjusted in the same manner as any adjustment is made in determining the amount of state distribution for school support.

(3) "Board of managers" means the board or commission charged with the responsibility of administering the affairs of a special education cooperative.

(4) "Governing body" of a participating school corporation means the board or commission charged by law with the responsibility of administering the affairs of the school corporation. In the case of a school township, the term means the township trustee and township board.

(5) "Participating school corporation" means a local public school

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corporation that:

(A) is established under Indiana law; and

(B) cooperates with other corporations in a special education cooperative.

(6) "Percentage share" of a participating school corporation is the percent that its assessed valuation bears to the total assessed valuation of all the participating schools joining in an agreement.

(7) "Special education cooperative" means a department, school, or school corporation established, maintained, and supervised for the education of children with disabilities in accordance with this section.

SECTION 34. IC 36-2-5-3, AS AMENDED BY P.L.219-2007, SECTION 106, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The county fiscal body shall fix the compensation of officers, deputies, and other employees whose compensation is payable from the county general fund, county highway fund, county health fund, county park and recreation fund, aviation fund, or any other fund from which the county auditor issues warrants for compensation. This includes the power to:

(1) fix the number of officers, deputies, and other employees;

(2) describe and classify positions and services;

(3) adopt schedules of compensation; and

(4) hire or contract with persons to assist in the development of schedules of compensation.

(b) Subject to subsection (e), the county fiscal body shall provide for a county assessor or elected township assessor who has attained a level two or level three certification under IC 6-1.1-35.5 to receive annually one thousand dollars (\$1,000), which is in addition to and not part of the annual compensation of the assessor. Subject to subsection (e), the county fiscal body shall provide for a county or township deputy assessor who has attained a level two or level three certification under IC 6-1.1-35.5 to receive annually five hundred dollars (\$500), which is in addition to and not part of the annual compensation of the county or township deputy assessor.

(c) If a county assessor receives the amount described under IC 6-1.1-30-17 from the department of local government finance, the county fiscal body shall provide the amount equal to the employer's share of Social Security taxes and Medicare taxes on the amount received by the county assessor under IC 6-1.1-30-17. The amount provided by the county fiscal body under this subsection is in addition to and not part of the annual compensation of the county assessor.

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(c) (d) Notwithstanding subsection (a), the board of each local health department shall prescribe the duties of all its officers and employees, recommend the number of positions, describe and classify positions and services, adopt schedules of compensation, and hire and contract with persons to assist in the development of schedules of compensation.

(d) (e) This section does not apply to community corrections programs (as defined in IC 11-12-1-1 and IC 35-38-2.6-2).

(c) (f) Subsection (b) applies regardless of whether the assessor or deputy assessor attained the level two certification:

(1) while in office; or

(2) before assuming office.

SECTION 35. IC 36-2-6-14.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 14.5. Notwithstanding any other provision of law, a special assessment required to be certified to the county auditor and added to the tax duplicate by law shall be certified within each county on or before a uniform date or dates established by the legislative body of that county. If the legislative body of a county does not establish a date for the certification required by this section, a special assessment required to be certified to the county auditor and added to the tax duplicate by law shall be certified on or before ~~March~~ **January 1**.

SECTION 36. IC 36-2-9-20, AS AMENDED BY P.L.177-2005, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 20. The county auditor shall:

(1) maintain an electronic data file of the information contained on the tax duplicate for all:

(A) parcels; and

(B) personal property returns;

for each township in the county as of each assessment date;

(2) maintain the electronic data file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:

(A) the legislative services agency; and

(B) the department of local government finance;

(3) transmit the data in the file with respect to the assessment date of each year before ~~March~~ **January 1** of the next year to:

(A) the legislative services agency in an electronic format under IC 5-14-6; and

(B) the department of local government finance;

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of

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technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 37. IC 36-7-15.1-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 25. (a) Real property acquired by the redevelopment district is exempt from taxation while owned by the district.

(b) All receipts of the department, including receipts from the sale of real property, personal property, and materials disposed of, are exempt from all taxes.

(c) As used in this subsection, "year one" means any calendar year and "year two" means the calendar year following year one. When real property is acquired by the redevelopment district during the period from assessment on ~~March~~ **January** 1 of year one to the last day of February of year two, the taxes due in year two shall be prorated between the seller and the city. When the proration is made, the auditor shall remove the city's prorated share from the tax duplicate by auditor's correction.

SECTION 38. IC 36-9-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. (a) After an electrical lighting system has been completed and is ready for operation, the municipal works board shall assess the real property in the city block or blocks affected for the proportionate part of the annual lighting cost and, in the case of a system of ornamental lighting, the installation costs, that the property owners are required to pay annually. The works board shall assess each lot or parcel of the property equally per front foot.

(b) The works board shall prepare and file an assessment roll, setting forth the assessments against each lot and parcel of real property to be assessed, based upon:

(1) the cost of the lighting for the full period of one (1) year and

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for that part of a year the system may be operated between the time of its completion and the beginning of the next calendar year; and

(2) in the case of a system of ornamental lighting, the costs of installing the system.

The preparation and filing of the assessment roll and all proceedings for its adoption and confirmation, notices to property owners, certifying the roll to the county treasurer, and all other proceedings in connection with the roll must be according to the statutes regarding public improvements in municipalities.

(c) The first assessment made against each lot or parcel of real property is a lien on that lot or parcel, from the time of the final acceptance of the electrical system by the municipality. The lien covers the cost of lighting for the part of the calendar year following acceptance of the system, the cost of lighting for the next full calendar year, and, in the case of a system of ornamental lighting, the cost of installing the system.

(d) After the first assessment is made, a lien attaches upon ~~March~~ **January 1** of each year without further certification to the county treasurer, for the amount of the lighting cost for the succeeding calendar year and in the same proportions per front foot as fixed by the original assessment roll.

(e) Assessments made under this section shall be paid in the same manner as taxes are paid, at the regular tax paying periods following the adoption of the assessment roll. An assessment not paid at the time fixed by statute is subject to and may be collected according to the statutes regarding delinquent taxes, and all property upon which an assessment is a lien is subject to proceedings for the collection of taxes.

(f) The lien of an assessment under this section has equal priority with all other assessment liens and is superior to all other liens except liens for taxes.

SECTION 39. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2009]: IC 6-1.1-3-23; IC 6-1.1-4-12; IC 6-1.1-4-39; IC 6-1.1-4-39.5; IC 6-1.1-4-40; IC 6-1.1-4-41.

SECTION 40. [EFFECTIVE JULY 1, 2008] **50 IAC 4.2-4-8, 50 IAC 4.2-5-14, 50 IAC 4.2-8-10, 50 IAC 4.2-9-3, and 50 IAC 4.2-10-4 are void. The publisher of the Indiana Administrative Code and Indiana Register shall remove these rules from the Indiana Administrative Code.**

SECTION 41. [EFFECTIVE JULY 1, 2009] **(a) For the state fiscal year beginning July 1, 2009, and thereafter, all rights, duties, and responsibilities of the department of local government finance**

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under IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-19, and IC 6-1.1-20 are transferred to the state board of accounts established under IC 5-11-1-1.

(b) The state board of accounts has the authority to enforce any provision currently enforced by the department of local government finance with respect to the Indiana Code cites listed in subsection (a).

(c) The department of local government and the state board of accounts are authorized to enter into an agreement to resolve issues pending before the department of local government finance at the time of the transfer provided under subsection (a) and to resolve any other transitional issues.

(d) The general assembly shall make the necessary technical changes to the Indiana Code to replace the department of local government finance with the state board of accounts throughout IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-19, and IC 6-1.1-20 and any related sections during the 2009 session.

SECTION 42. [EFFECTIVE JANUARY 1, 2009] IC 6-1.1-1-2, IC 6-1.1-1-7, IC 6-1.1-4-4, IC 6-1.1-4-13.6, IC 6-1.1-4-13.8, IC 6-1.1-4-20, IC 6-1.1-4-21, IC 6-1.1-10-31.7, IC 6-1.1-12-35.5, IC 6-1.1-12.1-5, IC 6-1.1-12.1-5.4, IC 6-1.1-12.3-10, IC 6-1.1-13-6, IC 6-1.1-18.5-7, IC 6-1.1-20.8-2.5, IC 6-1.1-20.9-2, IC 6-1.1-21-4, IC 6-1.1-22-5, IC 6-1.1-22.5-20, IC 6-1.1-40-11, IC 6-1.1-42-27, IC 6-1.1-44-6, IC 6-6-11-5, IC 6-6-11-30, IC 14-33-22-6, IC 20-35-5-1, IC 36-2-6-14.5, IC 36-2-9-20, IC 36-7-15.1-25, IC 36-9-9-10, all as amended by this act, apply to property taxes first due and payable after December 31, 2008.

SECTION 43. An emergency is declared for this act.

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